

CLIFTON SANITATION DISTRICT
Bylaws

3217 D ROAD

Clifton, CO

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Incorporates Revisions through December 5, 2019

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Article I. Bylaws

1 Bylaws

1.1 Place of Business

The office of the Clifton Sanitation District ("District") is located at 3217 D Road.

1.2 General Powers - Board of Directors

All powers, privileges and duties vested in, or imposed by and through the Board of Directors of Clifton Sanitation District ("Board of Directors" or "Board"), whether set forth specifically or implied in these Bylaws, are vested in the Board of Directors. The Board of Directors may delegate to officers and employees of the District any or all administrative and ministerial powers.

1.3 Board Meetings

1.3.1 Regular Meetings

Regular meetings of the Board of Directors shall be held on the first Wednesday of each month at 6:00 o'clock p.m., unless it falls on a holiday, then it will be held on the following Wednesday or at such other time and place as is established and duly posted by the Board of Directors. At its first regular meeting of the year, the Board shall confirm the time and place of the regular meetings, and if a different time and place are established, then these Bylaws shall be amended to reflect such change. Such regular meetings may be canceled, postponed, or continued by the Board, as it deems appropriate. The regular meeting time for the Board established in this section shall constitute formal notice to the Board of regular meetings and no further notice is required to be given to the Board. Public notice of the time and place of regular meetings shall be given as provided below in Section 1.3.4

1.3.2 Special Meetings

Special meetings of the Board of Directors may be called by any Director, by informing the Board of Directors of the date, time and place of the meeting and the purpose of the meeting. Special meetings also include study sessions at which a quorum of the Board is in attendance, and at which information is presented but no official action can be taken by the Board. Notice of the time and place of any special meeting shall be given as provided below in Section 1.3.4.



1.3.3 Location of Meetings

Regular and special meetings shall be held at the District office (or the location within the District or Mesa County as stated in the notice of meeting). The location of regular and special meetings may be changed to outside Mesa County only by Board resolution as an agenda item at a regular or special meeting with the resolution stating reasons for the change and further stating the date, time and place of such meeting.

1.3.4 Public Notice of Meetings

Notice of regular and special meetings, with specific agenda information if available, shall be posted and made available to the public as follows: (a) no less than twenty-four (24) hours prior to the holding of the meeting (b) on a public website of the District. The District shall, to the extent feasible, make the notices searchable by type of meeting, date of meeting, time of meeting, agenda contents, and any other category deemed appropriate by the Board of Directors. Such online website posting may be in addition to or in lieu of an optional physical posted meeting notice. The District shall provide the website address used for posting meeting notices to the Department of Local Affairs.

At the first regular meeting of each calendar year, the Board of the District shall designate: (a) the website address to be used for online notices; and (b) a public place within District boundaries at which it may post agendas at least twenty-four (24) hours in advance of the meeting if it is unable to post an online notice in exigent or emergency circumstances, such as a power outage or an interruption in internet service that prevents the public from accessing the notice online. If the Board so chooses, it may also designate a public place within District boundaries for optional, discretionary posting of meeting notices.

1.3.5 Open Meetings

All official business of the Board of Directors shall be conducted only during regular or special meetings at which a quorum is present and all meetings shall be open to the public. The public may be excluded from executive sessions properly called during a regular or special meeting.

1.3.6 Executive Sessions

All executive sessions of regular and special (not study sessions) meetings of the Board of Directors shall be conducted in accordance with the Colorado Open Meetings Law, C.R.S. Section 24-4-601, et. seq.



In addition to the requirements of this section, to ensure compliance with requirements regarding executive sessions, the Board shall refer to the statute, C.R.S. Section 24-6-402, and the Special District Association Board Member Manual for additional guidance.

Before going into executive session: (1) an announcement must be made describing the matter to be discussed in as much detail as possible without compromising the purpose for which the executive session is authorized, and which cites the applicable provision of C.R.S. Section 24-6-402(4)(a)-(h) which authorizes the session. Whenever possible, this description shall also be noted on the agenda for the regular or special meeting; and (2) a motion must be passed by an affirmative vote of two-thirds of the quorum present to adjourn into the executive session for the purpose of addressing the particular topic.

No adoption of any proposed policy, position, resolution, rule or regulation, nor any formal action by the Board of Directors may occur during the executive session.

An electronic recording must be made of the executive session, including a citation to the provisions of 24-6-402(4) authorizing the executive session and the actual contents of the discussion. However, a recording is not required, if in the opinion of the public body's attorney, who is present at the executive session, all or a portion of the discussion constitutes attorney-client privileged communications. The District shall retain the electronic recording for at least ninety (90) days following the executive session after which it may be destroyed. If no recording is made because of attorney-client privileged communications, the attorney must attest that the portion of the discussion not recorded constituted privileged attorney-client communications, either by stating so on the recorded portion of the meeting or providing a signed statement to be attached to the minutes.

1.3.7 Conflicts of Interest.

Any member of the Board of Directors who has a substantial direct or indirect interest in any non-governmental entity participating in a transaction with the District shall disclose a "potential conflict of interest," and refrain from participating in the transaction. A disclosure of the potential conflict of interest shall be made by providing seventy-two hours actual advance written notice to the Secretary of State and to the Board in accordance with C.R.S. Section 18-8-308. The Directors shall comply with the provisions of C.R.S. Section 32-1-902 and applicable provisions of Sections 24-18-101, et.seq. and Section 24-18-201, et.seq.



1.3.8 Access to Public Records

This policy is to protect and control District records, as allowed by the Colorado Public Records Law at C.R.S. Sections 24-72-201 to 205, and to define the method by which the legal obligation of the District to provide public access to its records and requests for information will be handled. The following guidelines will dictate the answering of all public information requests:

- (a) Requests for information must be in writing and must be specific as to the information desired.
- (b) All requests for information must be directed to the Records Custodian of the District. Unless otherwise designated by the Board, the Records Custodian shall be the District General Manager.
- (c) Records are available for public inspection during normal working hours, provided that an appointment has been made with the Records Custodian at least three (3) business days in advance.
- (d) Within three (3) business days of the date of the written request, the Records Custodian shall make the documents available for inspection. If due to extenuating circumstances the records are not readily available for inspection within three (3) business days, and if asked to do so, the Records Custodian shall make reasonable efforts to make the records available within seven (7) working days from the date of the written request. If the request is extraordinarily voluminous or requires extensive research and retrieval time and the request cannot be completed within seven (7) business days, then the Records Custodian shall so notify the requesting party and shall state the date when such records will be available for inspection.
- (e) Records must be viewed at the District office and records may not be removed from the District office. All inspections shall be under the supervision of the Records Custodian or its appointed designee.
- (f) Records will be retrieved and re-filed by the Records Custodian or its appointed designee.
- (g) Records will be removed from file folders or places of storage for photocopying only by the Records Custodian or its appointed designee.
- (h) The District will charge a fee of twenty-five cents (\$0.25) per standard page for a copy of a public record or a fee not to exceed the actual cost of providing a copy, printout, or photograph of a public record that is in a format other than a standard page.



- (i) Except as otherwise allowed by C.R.S. Section 24-72-203 (3.5), if a public record is stored in a digital format, it shall be provided in the same digital format as it is stored, including with the search or sort functionalities of such format if they exist.
- (j) Information requests will not take priority over previously scheduled work activities of the District.
- (k) The District may assess a fee of Thirty Dollars (\$30.00) per hour to cover the administrative costs of researching and retrieving the documents requested, provided that there shall not be a fee for the first hour of time expended in connection with the research and retrieval of public records.
- (l) The District may withhold records which contain privileged information or that are protected from disclosure by any statute or rule of any court.

1.4 Conduct of Business

1.4.1 Quorum Required

No business of the five-person Board of Directors shall be transacted except at a regular or special meeting at which a quorum consisting of at least (3) three Directors shall be present. For purposes of determining a quorum a Director shall be considered to be present and in attendance if the Director is present in person, by telephone, electronically, or by other reasonable means of remote communication; provided however, if the Director is not present in person, then the means of remote communication must permit the Director who is not present to hear, and be heard by, all other persons in attendance at the meeting.

1.4.2 Board Member Attendance Requirement

A Director's office shall be deemed vacant if a Director fails to attend three consecutive regular meetings of the Board, unless there is Board approval for additional absence or absences documented in the minutes; except that such additional absences or absences shall be excused for temporary mental or physical disability or illness. All Directors are expected to attend regular and special meetings in person when reasonably possible. A Director may attend by remote means, as described in Section 1.4.1 above, no more than four (4) times during a calendar year unless the Director is excused from this in-person attendance requirement by vote of the Board of Directors.



1.4.3 Voting on Business Matters

Any formal business of the Board of Directors shall require the affirmative vote of a majority of the Directors present and voting. When special or emergency circumstances affecting the health, safety, and welfare of the District so dictate, action may be taken by those Directors available at the time subject to ratification at the next regular or special meeting of the Board of Directors.

1.4.4 Resolutions and Orders

Each and every action by the Board of Directors necessary for the governing and management of the affairs of the District, for the execution of the powers vested in the District, and for carrying into effect the statutory provisions applicable to the District, shall be taken by the passage of motion, resolutions, and/or orders.

1.4.5 Minute Book

Within a reasonable time after each meeting, all orders, resolutions, motions and other actions shall be recorded in a book kept for that purpose and shall be attested to by the Secretary for that meeting. The minutes should include the starting time and date of the meeting, names of those members present, who presided over the meeting, a chronological account of the agenda items considered with brief description of discussions as deemed appropriate by the Board of Directors, the outcome of each item, a record of all votes taken and the time of adjournment.

1.4.6 Order of Business

The business of all regular meetings of the Board of Directors shall be transacted as practicable in the following order:

- (a) Roll call;
- (b) Approval of minutes of previous meeting;
- (c) Hearings, resolutions, election matters, etc.;
- (d) Unfinished business (old business);
- (e) Reports of officers, committees, and professional consultants;
- (f) New business and special orders;
- (g) Approval of disbursements (bills); and
- (h) Adjournment time.



1.5 Personnel Selection

The selection of employees, engineers, accountants, attorneys and special consultants of the District by the Board of Directors or its manager, will be based on the relative qualifications and capabilities of the applicants. There shall be no unlawful discrimination on the basis of political services or affiliation, race, color, creed, ancestry, age, disability, sex or national origin. Agents and employees shall hold their offices at the discretion of the Board of Directors. Contracts for professional services of engineers, accountants, attorneys, and special consultants may be entered into on such terms and conditions, as the Board of Directors may deem reasonable and proper.

1.6 Indemnification of Directors and Employees

The District will defend, save harmless and indemnify any officer, appointive, against any tort or professional liability, claim or demand, whether groundless or otherwise, arising out of any alleged act or omission occurring during the performance of duties for the District. The Board of Directors may compromise any settlement or judgment rendered thereon.

1.6.1 Definitions

For the purpose of this section only, the following definitions shall apply:

- (a) Employee. "Employee" shall refer to an officer, Board of Director, employee or servant, who works under the control of the District, whether or not compensated. The term "employee" specifically excludes any contractor, person, or entity contracting to perform services or acting for the District as an independent contractor.
- (b) Performance of Duty. The term "Performance of Duty" shall include any situation in which a District employee is performing duties for the District and acting within the scope of his/her employment. It shall specifically extend to all employees who are providing service on a voluntary basis or otherwise to any private, corporate, or governmental agency other than the District when doing so with the express or implied consent or authorization from the District. The "Performance of Duty" shall not include any act or omission constituting deliberate and intentional tortuous or criminal conduct, or malfeasance in office, or willful or wanton act or omission.

1.6.2 Designation of Council

The District reserves the right to designate the attorney appointed to defend any employee in any tort or professional liability action instituted pursuant to this section.



1.6.3 Indemnity

The District agrees to indemnify any employee up to, but not to exceed, the amount of Three Hundred Fifty Thousand Dollars (\$350,000.00) per person with an aggregate limit of Nine Hundred Ninety Thousand Dollars (\$990,000.00); except that, in such instance, no person may recover in excess of Three Hundred Fifty Thousand Dollars (\$350,000.00), or in the maximum amounts otherwise specified in or established as provided in the Colorado Governmental Immunity Act (C.R.S. Section 24-10-101, et.seq.). The District specifically reserves any defenses, which are made available to employees by said act. Each employee may be required to reimburse the District for reasonable costs and attorney's fees incurred in the defense if a court determines that the injuries did not arise out of an act or omission of such employee occurring during the performance of duties and within the scope of employment or that, the act or omission was willful and wanton.

1.6.4 Payment of Claims

All claims to be paid pursuant to this section shall be paid by the District or its insurer. Any judgment or settlement in a claim against the District shall be paid in accordance with the provisions of said Colorado Governmental Immunity Act.

1.6.5 Non-defensible Claims

No defense or indemnification shall be provided by the District to any employee in any of the following circumstances:

- (a) If the employee willfully and knowingly fails to notify the District of the incident, or occurrence, which leads to the claim within a reasonable time after such incident or occurrence, if the employee might reasonable, expect it to result in claim.
- (b) If the District is not made a party defendant and is not notified in writing by the plaintiff or the employee within fifteen (15) days after commencement of the action.
- (c) If an employee refuses to cooperate with an investigation or defense of any lawsuit by the District or its insurer or by private attorney employed by the District to furnish the defense to said employee, or any private investigator hired by the District to investigate such tort or professional liability claim.



- (d) If the employee compromises or settles the claim without the consent of the District.

1.6.6 Insurance Benefits

If the employee against whom a claim reimbursable hereunder is asserted has any other valid insurance, bond or indemnification plan available covering the loss or damage alleged against him, such insurance, bond or other plan will first be applied to the payment of any claim. In this event, the obligation of the District to indemnify and save harmless the employee shall exist only for liability incurred in excess of such other coverage.

- (a) If a payment is made pursuant to this section, the District shall be subrogated to all of the employee's rights of recovery therefore against any person or organization, and the employee shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights of subrogation. The employee shall do nothing to prejudice such rights.
- (b) No assignment of indemnification shall be permitted without written consent of the District and no such assignment shall bind the District unless such written consent is given prior to assignment. If, however, the employee shall die, the benefits of this section shall be available to, and apply fully to, the employee's legal representative, but only while acting within the scope of his duties.
- (c) Any defense and indemnification available to an employee under this section shall continue to be available after the termination of his employment if the act or omission causing such liability occurred during the course of his duties while an employee of the District. Such defense and indemnification shall not be available to a former employee if the tort or professional liability claim against him is asserted as a counterclaim or off-set in any suit brought by the employee, except to the extent that the liability of such employee may exceed the amount of his own claim or suit.
- (d) The provisions of this section shall be subject to, and to the extent of any inconsistency therewith, shall be modified by, the Colorado Governmental Immunity Act.



1.7 Financial Administration

1.7.1 Fiscal Year

The fiscal year of the District shall Commence on January 1st of each year and end on December 31st, pursuant to C.R.S. 29-1-102(9).

1.7.2 Budget Committee

There shall be a Budget Committee appointed each year. The Budget Committee is composed of the Treasurer, a member of the Board of Directors appointed by the Board of Directors, and the Manager, and shall be responsible for preparation of the annual budget of the District and such matters as may be assigned to it by the Board of Directors.

1.7.3 Budget

On or before October 15th of each year, the Budget Committee shall prepare and submit to the Board of Directors a proposed budget for the ensuing fiscal year. Such proposed budget shall be accompanied by a statement which shall describe the important features of the budget plan and by a general summary which sets forth the aggregate figures of the budget in such a manner as to show the balanced relation between the total proposed expenditures and the total anticipated income or other means of financing the proposed budget for the ensuing fiscal year. Said summary shall also include the corresponding estimated figures of the current fiscal year. It shall be supported by explanatory schedules or statements classifying the expenses contained therein by services, subjects, and funds. The anticipated income of the District shall be classified according to the nature of receipts.

1.7.4 Notice of Budget

Upon receipt of the Proposed budget, the Board of Directors shall publish a notice stating: (a) the date and time of the hearing at which adoption of the proposed budget will be considered; (b) that the proposed budget is available for inspection at the business office; (c) that the Board of Directors will consider the adoption of the proposed budget on a certain date; and (d) that any interested elector of the District may inspect, file or register any objections thereto any time prior to its final adoption. If the Board of Directors has submitted or intends to submit a request for increased property tax revenues pursuant to C.R.S. Section 29-1-302(1), the amount of the increased property tax revenues resulting from such request shall be stated in such notice.



Notice shall be published in compliance with C.R.S. Section 29-1-106, which, if the proposed budget is more than Fifty Thousand Dollars (\$50,000.00), shall be a one-time notice in a newspaper having general circulation in the District.

1.7.5 Adoption of Budget

On the day set for adoption of the proposed budget, the Board of Directors shall hold a hearing at which time objections of the electors of the District shall be considered. The Board of Directors shall review the proposed budget and revise, alter increase or decrease the items, as it deems necessary in view of the needs of the District and the probable income of the District. The Board of Directors shall then adopt a budget setting forth the expenditures to be made in the ensuing year. The Board of Directors shall provide for sufficient revenues to finance the budget expenditures.

1.7.6 Filing of the Budget

Within thirty (30) days following the beginning of the fiscal year of the adopted budget, the Board of Directors shall file a certified copy of such budget with the Division of Local Government in the Department of Local Affairs, State of Colorado, as required by C.R.S. Section 29-1-113. The budget of the District shall include any resolutions adopting the budget, appropriating moneys, and fixing the rate of any mill levy.

1.7.7 Levy and Collection of Taxes

On or before December 15th of each year, the Board of Directors shall certify to the Board of County Commissioners of Mesa County the mill levy established for the ensuing fiscal year, in order that, at the time and in the manner required by law for the levying of taxes, such commissioners shall levy such tax upon the assessed valuation of all taxable property within the District

1.7.8 Appropriating Resolution

- (a) At a meeting held before January 1st of the ensuing year, the Board of Directors shall enact a resolution making appropriations for the ensuing fiscal year. The amounts fixed therefore in the budget previously adopted.
- (b) The income to the District, as estimated in the budget and as provided for in the tax levy resolution and other review and borrowing resolutions, shall be allocated in the amounts and according to the funds specified in the budget for the purpose of meeting expenditures authorized by the Appropriation Resolution.



- (c) The Board of Directors may make an appropriation to and for a contingent fund to be used in case of emergency or other unforeseen contingencies.

1.7.9 No Contract to Exceed Appropriation

The Board of Directors shall have no authority to enter into any contract, or otherwise bind or obligate the District to any liability for payment of money for any purpose, for which provision is not made in the Appropriation Resolution or is in excess of the amounts of such appropriation for the fiscal year. Any contract, verbal or written, contrary to the terms of this subsection shall be void, and no District funds shall be expended in the payment of such contracts, except as authorized by the voters of the District (pursuant to application portions of C.R.S., Title 32 and Title 29).

- (a) In case of emergencies caused by a natural disaster, public enemy, or some contingency which could not reasonably have been foreseen at the time of the adoption of the budget, the Board of Directors may authorize the expenditure of funds in excess of the budget by resolution duly adopted by a majority vote of the Board of Directors at a special or regular meeting. Such resolution shall set forth in full the facts concerning the emergency and shall be included in the official minutes of that meeting.
- (b) If so enacted, a certified copy of the resolution authorizing additional expenditures shall be filed with the Division of Local Government at the Department of Local Affairs as required by C.R.S. Section 29-1-111.

1.7.10 Payment of Contingencies

If there is unexpected or uncommitted money in funds other than those to which the emergency relates, the Board of Directors shall transfer such available money to the fund from which the emergency expenditure is to be paid.

1.7.11 Corporate Seal

The seal of the District shall be a circle containing the name of the District, shall be used on all documents, and in such manner as seals are used by public and private corporations. The Secretary shall have custody of the seal.



1.7.12 Annual Audit

- (a) The District shall have an annual audit made of all financial affairs of the District through December 31st of the prior fiscal year. Such audit shall be made by a registered or certified public accountant, who has not maintained the books, records and accounts of the District during the subject fiscal year. Such audit shall be completed within six (6) months of the end of the subject fiscal year.
- (b) A copy of the audit report shall be maintained in the District office as a public record for public inspection at all reasonable times.
- (c) The Treasurer shall forward a copy of the report to the State Auditor, or other relevant state official, pursuant to statutory requirements, within thirty (30) days following completion of the audit.

1.7.13 Regulations for Investing District Funds

- (a) Investment. The District may invest Public Funds by use of any investment vehicle authorized under C.R.S. Section 24-75-601.1(1) (a) and (b). Types of available investments include any security issued by, fully guaranteed by, or for which the credit of any of the following is pledged for payment: The United States treasury, a federal farm credit bank, The Federal Land Bank, a federal home loan bank, The Federal Home Loan Mortgage Corporation, The Federal National Mortgage Association, The Export-Import Bank, or the Government National Mortgage Association. The Board may invest in other qualified investments provided for in C.R.S. Section 24-75-601.1(1) but only upon the unanimous vote of the Board.
- (b) Investments of More Than Five Years. The Board may invest District funds with a maturity date in excess of five (5) years from the date of purchase, provided that any such investment is given specific Board approval at or within a reasonable time of the date of purchase.
- (c) Public Deposit Protection Act (PDPA). The District shall comply with the provisions of the PDPA (C.R.S. Section 11-10.5-101, et.seq.) which requires that deposits of public funds in banks or savings and loan associations may only be made in "eligible public depositories" which have been designated by the State of Colorado banking board. From time to time, the Board shall appoint an "official custodian," as required by the PDPA, which shall be a person who has authority or control of the District's public funds. Unless otherwise directed by the Board, the Manager of the District shall serve as the official custodian. At a minimum, the official custodian must do the following:



1. inform the depository that District funds are subject to the PDPA;
2. maintain documents or other verification necessary to identify the public funds which are subject to the PDPA; and
3. apply to the state for an assignment of an account number for all accounts established with an eligible public depository.

By statute (C.R.S. Section 11-10.5-111), a violation of the provisions of the PDPA is a misdemeanor and, upon conviction: (a) an official custodian shall be subject to a mandatory fine of not less than Two Hundred Dollars (\$200.00) or more than Five Hundred Dollars (\$500.00) and the court may cause the official custodian to be removed from public office; (b) any director, bank officer, or manager shall be punished by a mandatory fine of not less than Two Hundred Dollars (\$200.00) nor more than Two Thousand Dollars (\$2,000.00).